4. Due to restructuring of the Department and creation of additional posts, the promotional avenues of the personnel, have been increased substantially which would boost their moral and consequently enhance the integrity factor among them.

Refixing of borrowing ceiling of Kerala

1378. SHRI A. VIJAY RAGHAVAN: Will the Minister of FINANCE be pleased to state:

(a) whether the annual Plan of Kerala had been fixed for the period 2006-07;

(b) if so, whether the State Government of Kerala has represented during March, 2006 for refixing the borrowing ceiling so as to approach various agencies for financing the above plan;.

(c) if so, the details of decision taken in this regard;

(d) whether there is any delay in taking the decision; and

(e) if so, Government's reaction thereto?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL): (a) Yes, Sir:

(b) to (e) State Government represented to Government of India for enhancement of the net borrowing ceiling of Rs. 4672 crore for the year 2006-07 fixed by Gol in line with the recommendations of the Twelfth Finance Commission and in line with the fiscal correction path drawn up by the State Government. The request of the State Government was considered and the borrowing ceiling was revised to Rs. 6834 crore after the State Government had agreed to bear the cost of foregoing debt waiver benefit eligible under the Debt Relief and Consolidation Facility. There was no delay in taking the decision at the Government of India level. .

Reforms in IMF

1379. SHRIMATI N. P. DURGA: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that the first phase of reforms in the IMF have begun recently;

(b) if so, the details of the reforms proposed in the first phase;

(c) what are the reasons for not accepting India's views in the first phase of reforms;

(d) when is the second phase of reforms going to begin and the areas in which reforms are going to take place; and

(e) what elevance to IMF reforms have in the light of its losing importance in the world?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL): (a) and (b) Yes, Sir. The first stage consisted of a modest ad hoc increase in quotas for China, South Korea, Mexico and Turkey.

(c) Over 85 percent of the voting strength of the IMF voted in favour of the first stage.

(d) The second stage of reforms will begin when a majority of the IMF voting strength votes in favour of a new .quota formula, and at least 85 percent of the current voting strength votes for an increase in the level of Basic Votes.

(e) The reforms are aimed at enhancing the legitimacy and relevance of IMF in view of changes in the relative economic strengths of countries since IMF was established.

Rate of Interest on Loans to Big companies

†1380. SHRI RAM JETHMALANI:
DR. MURLI MANOHAR JOSHI:

Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that big companies of the country having a sales turn over to the tune of Rs. 1,000 crores or more annually are granted bank loans at the rate of interest from 2 to 3 per cent.

(b) if not, what are the details in this regard; and

(c) what are the rates of interest fixed by the Public Sector Banks for purpose of advancing loans during the first half of the year 2006-07 and the details of rates of interest?

†Original notice of the question was received in Hindi.